

**RAILCAR, Ltd.**

Suite 455

1819 Peachtree Road, N.E.  
Atlanta, Georgia 30309-1847

(404) 352-6799

Fax (404) 352-6798

RECORDATION NO. 22423

FILED

SEP 23 '99

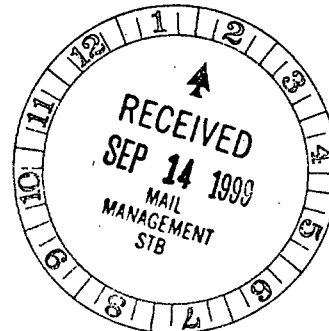
9:00 AM

22423

**RAILCAR**

September 10, 1999

Secretary's Office  
Surface Transportation Board  
1925 K Street, NW, Suite 700  
Washington, D.C. 20423-0001  
Attention: Recordation Unit- Ms. Taledia Stokes



RE: Railcar, LTD. and Newport Steel Corporation

Dear Ms. Stokes:

On behalf of Railcar, LTD., I am enclosing for recording an original and two counterparts of a primary document, not previously recorded entitled: "Memorandum of Lease" dated as of September 01, 1999. Also enclosed is a check for \$26 payable to the "Surface Transportation Board."

The names and addresses of the parties is as follows:

Railcar, LTD. (LESSOR)  
1819 Peachtree Road, N.E., Suite 455  
Atlanta, Georgia 30309-1847  
Attn: Mr. Paul H. Kennedy

Newport Steel Corporation (LESSEE)  
Ninth & Lowell Streets  
P.O. Box 1670  
Newport, Kentucky 41072  
Attn: Mr. Dale Overmann

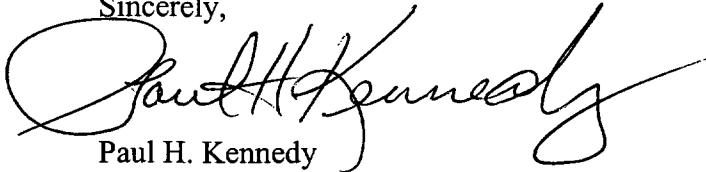
The equipment covered by the document is more fully described in the Description of Railcar schedules, which are enclosed.

A short summary of the document to appear in the index is as follows: "Lease Agreement between Railcar, LTD. 1819 Peachtree Road, N.E., Suite 455 Atlanta, Georgia 30309-1847, as Lessor, and Newport Steel Corporation, Ninth & Lowell Streets.

P.O. Box 1670, Newport, Kentucky 41072, as Lessee, dated September 1, 1999, and covering all cars described in the Description of Railcar schedules as filed with the STB.”

Once the document has been recorded, please return to me (at the address on the letterhead above) the stamped original and any extra counterparts not needed by the STB.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul H. Kennedy". The signature is fluid and cursive, with a large initial "P" and a long, sweeping underline.

Paul H. Kennedy  
Vice President of Administration

SEP 23 '99

9-00 AM

MEMORANDUM OF LEASE

1. Pursuant to the Master Lease Agreement dated as of April 30, 1999, and the related Schedule No. 4 dated as of August 31, 1999 (collectively, the "Lease Agreement"), between Railcar, Ltd. ("Lessor"), as lessor, and Newport Steel Corporation ("Lessee"), as lessee, Lessor has leased to Lessee the railroad cars identified on the exhibit attached hereto and entitled "Description of Railcars" (the "Cars"). Said lease of the Cars is referred to hereinafter as the "Lease."

2. The addresses of the parties are as follows:

Railcar, Ltd.  
1819 Peachtree Road, N.E., Suite 455  
Atlanta, Georgia 30309-1847

Newport Steel Corporation  
Ninth & Lowell Streets  
P.O. Box 1670  
Newport, Kentucky 41072

3. The term of the Lease has already commenced and is scheduled to end six months from the Commencement Date which is approximately on April 1, 2000, subject to an option to extend the term for an additional six month period.

4. The terms and provisions of the Lease are more particularly set forth in the Lease Agreement.

5. This Memorandum may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

[Execution on Next Page]

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of 9/10/99.

RAILCAR, LTD.

BY: Paul H. Kennedy

Name: Paul H. Kennedy.

Title: Vice President of Administration

State of Georgia, County of Fulton

On September 10, 1999, before me personally appeared Paul H. Kennedy, to me personally known, who being by me duly sworn says that he is VP Administration of Railcar, Ltd., and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jay F. Hardin

Notary Public

My commission expires:

[NOTARIAL SEAL]

Notary Public, Coweta County, Georgia  
My Commission Expires April 2, 2002

[Execution continued on next page; remainder of this page intentionally left blank]

Newport Steel Coproration

By: Dale R. Overmann

Name: DALE R. OVERMANN

Title: TRAFFIC MANAGER

State of KENTUCKY, County of CAMPBELL

On SEPT. 2, 1999, before me personally appeared DALE R. OVERMANN, to me personally known, who being by me duly sworn says that he is TRAFFIC MANAGER of NEWPORT STEEL CORP., and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Douglas R. Haney  
Notary Public  
My commission expires: OCT. 13, 1999

[NOTARIAL SEAL]

DOUGLAS R. HANEY  
NOTARY PUBLIC-STATE AT LARGE-KY  
MY COMMISSION EXPIRES OCT. 13, 1999

## DESCRIPTION OF RAILCARS

Lessee: Newport Steel Corporation

Number of Cars in Lease: 5

Description of Cars: 100-Ton Covered Hopper Cars.

Car Marks and Numbers:

SPSX 371358

SPSX 370311

SPSX 370922

SPSX 370742

SPSX 370814